



Rep. Barbara Flynn Currie

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1 AMENDMENT TO SENATE BILL 842

2 AMENDMENT NO. _____. Amend Senate Bill 842 by replacing
3 everything after the enacting clause with the following:

4 "ARTICLE 5. RETIREMENT CONTRIBUTIONS

5 Section 5-5. The State Finance Act is amended by changing
6 Sections 8.12 and 14.1 as follows:

7 (30 ILCS 105/8.12) (from Ch. 127, par. 144.12)

8 Sec. 8.12. State Pensions Fund.

9 (a) The moneys in the State Pensions Fund shall be used
10 exclusively for the administration of the Uniform Disposition
11 of Unclaimed Property Act and for the expenses incurred by the
12 Auditor General for administering the provisions of Section
13 2-8.1 of the Illinois State Auditing Act and for the funding of
14 the unfunded liabilities of the designated retirement systems.
15 Beginning in State fiscal year 2017 ~~2016~~, payments to the

1 designated retirement systems under this Section shall be in
2 addition to, and not in lieu of, any State contributions
3 required under the Illinois Pension Code.

4 "Designated retirement systems" means:

5 (1) the State Employees' Retirement System of
6 Illinois;

7 (2) the Teachers' Retirement System of the State of
8 Illinois;

9 (3) the State Universities Retirement System;

10 (4) the Judges Retirement System of Illinois; and

11 (5) the General Assembly Retirement System.

12 (b) Each year the General Assembly may make appropriations
13 from the State Pensions Fund for the administration of the
14 Uniform Disposition of Unclaimed Property Act.

15 Each month, the Commissioner of the Office of Banks and
16 Real Estate shall certify to the State Treasurer the actual
17 expenditures that the Office of Banks and Real Estate incurred
18 conducting unclaimed property examinations under the Uniform
19 Disposition of Unclaimed Property Act during the immediately
20 preceding month. Within a reasonable time following the
21 acceptance of such certification by the State Treasurer, the
22 State Treasurer shall pay from its appropriation from the State
23 Pensions Fund to the Bank and Trust Company Fund, the Savings
24 Bank Regulatory Fund, and the Residential Finance Regulatory
25 Fund an amount equal to the expenditures incurred by each Fund
26 for that month.

1 Each month, the Director of Financial Institutions shall
2 certify to the State Treasurer the actual expenditures that the
3 Department of Financial Institutions incurred conducting
4 unclaimed property examinations under the Uniform Disposition
5 of Unclaimed Property Act during the immediately preceding
6 month. Within a reasonable time following the acceptance of
7 such certification by the State Treasurer, the State Treasurer
8 shall pay from its appropriation from the State Pensions Fund
9 to the Financial Institution Fund and the Credit Union Fund an
10 amount equal to the expenditures incurred by each Fund for that
11 month.

12 (c) As soon as possible after the effective date of this
13 amendatory Act of the 93rd General Assembly, the General
14 Assembly shall appropriate from the State Pensions Fund (1) to
15 the State Universities Retirement System the amount certified
16 under Section 15-165 during the prior year, (2) to the Judges
17 Retirement System of Illinois the amount certified under
18 Section 18-140 during the prior year, and (3) to the General
19 Assembly Retirement System the amount certified under Section
20 2-134 during the prior year as part of the required State
21 contributions to each of those designated retirement systems;
22 except that amounts appropriated under this subsection (c) in
23 State fiscal year 2005 shall not reduce the amount in the State
24 Pensions Fund below \$5,000,000. If the amount in the State
25 Pensions Fund does not exceed the sum of the amounts certified
26 in Sections 15-165, 18-140, and 2-134 by at least \$5,000,000,

1 the amount paid to each designated retirement system under this
2 subsection shall be reduced in proportion to the amount
3 certified by each of those designated retirement systems.

4 (c-5) For fiscal years 2006 through 2016 ~~2015~~, the General
5 Assembly shall appropriate from the State Pensions Fund to the
6 State Universities Retirement System the amount estimated to be
7 available during the fiscal year in the State Pensions Fund;
8 provided, however, that the amounts appropriated under this
9 subsection (c-5) shall not reduce the amount in the State
10 Pensions Fund below \$5,000,000.

11 (c-6) For fiscal year 2017 ~~2016~~ and each fiscal year
12 thereafter, as soon as may be practical after any money is
13 deposited into the State Pensions Fund from the Unclaimed
14 Property Trust Fund, the State Treasurer shall apportion the
15 deposited amount among the designated retirement systems as
16 defined in subsection (a) to reduce their actuarial reserve
17 deficiencies. The State Comptroller and State Treasurer shall
18 pay the apportioned amounts to the designated retirement
19 systems to fund the unfunded liabilities of the designated
20 retirement systems. The amount apportioned to each designated
21 retirement system shall constitute a portion of the amount
22 estimated to be available for appropriation from the State
23 Pensions Fund that is the same as that retirement system's
24 portion of the total actual reserve deficiency of the systems,
25 as determined annually by the Governor's Office of Management
26 and Budget at the request of the State Treasurer. The amounts

1 apportioned under this subsection shall not reduce the amount
2 in the State Pensions Fund below \$5,000,000.

3 (d) The Governor's Office of Management and Budget shall
4 determine the individual and total reserve deficiencies of the
5 designated retirement systems. For this purpose, the
6 Governor's Office of Management and Budget shall utilize the
7 latest available audit and actuarial reports of each of the
8 retirement systems and the relevant reports and statistics of
9 the Public Employee Pension Fund Division of the Department of
10 Insurance.

11 (d-1) As soon as practicable after the effective date of
12 this amendatory Act of the 93rd General Assembly, the
13 Comptroller shall direct and the Treasurer shall transfer from
14 the State Pensions Fund to the General Revenue Fund, as funds
15 become available, a sum equal to the amounts that would have
16 been paid from the State Pensions Fund to the Teachers'
17 Retirement System of the State of Illinois, the State
18 Universities Retirement System, the Judges Retirement System
19 of Illinois, the General Assembly Retirement System, and the
20 State Employees' Retirement System of Illinois after the
21 effective date of this amendatory Act during the remainder of
22 fiscal year 2004 to the designated retirement systems from the
23 appropriations provided for in this Section if the transfers
24 provided in Section 6z-61 had not occurred. The transfers
25 described in this subsection (d-1) are to partially repay the
26 General Revenue Fund for the costs associated with the bonds

1 used to fund the moneys transferred to the designated
2 retirement systems under Section 6z-61.

3 (e) The changes to this Section made by this amendatory Act
4 of 1994 shall first apply to distributions from the Fund for
5 State fiscal year 1996.

6 (Source: P.A. 97-72, eff. 7-1-11; 97-732, eff. 6-30-12; 98-24,
7 eff. 6-19-13; 98-463, eff. 8-16-13; 98-674, eff. 6-30-14;
8 98-1081, eff. 1-1-15; revised 10-1-14.)

9 (30 ILCS 105/14.1) (from Ch. 127, par. 150.1)

10 Sec. 14.1. Appropriations for State contributions to the
11 State Employees' Retirement System; payroll requirements.

12 (a) Appropriations for State contributions to the State
13 Employees' Retirement System of Illinois shall be expended in
14 the manner provided in this Section. Except as otherwise
15 provided in subsections (a-1), (a-2), (a-3), and (a-4) at the
16 time of each payment of salary to an employee under the
17 personal services line item, payment shall be made to the State
18 Employees' Retirement System, from the amount appropriated for
19 State contributions to the State Employees' Retirement System,
20 of an amount calculated at the rate certified for the
21 applicable fiscal year by the Board of Trustees of the State
22 Employees' Retirement System under Section 14-135.08 of the
23 Illinois Pension Code. If a line item appropriation to an
24 employer for this purpose is exhausted or is unavailable due to
25 any limitation on appropriations that may apply, (including,

1 but not limited to, limitations on appropriations from the Road
2 Fund under Section 8.3 of the State Finance Act), the amounts
3 shall be paid under the continuing appropriation for this
4 purpose contained in the State Pension Funds Continuing
5 Appropriation Act.

6 (a-1) Beginning on the effective date of this amendatory
7 Act of the 93rd General Assembly through the payment of the
8 final payroll from fiscal year 2004 appropriations,
9 appropriations for State contributions to the State Employees'
10 Retirement System of Illinois shall be expended in the manner
11 provided in this subsection (a-1). At the time of each payment
12 of salary to an employee under the personal services line item
13 from a fund other than the General Revenue Fund, payment shall
14 be made for deposit into the General Revenue Fund from the
15 amount appropriated for State contributions to the State
16 Employees' Retirement System of an amount calculated at the
17 rate certified for fiscal year 2004 by the Board of Trustees of
18 the State Employees' Retirement System under Section 14-135.08
19 of the Illinois Pension Code. This payment shall be made to the
20 extent that a line item appropriation to an employer for this
21 purpose is available or unexhausted. No payment from
22 appropriations for State contributions shall be made in
23 conjunction with payment of salary to an employee under the
24 personal services line item from the General Revenue Fund.

25 (a-2) For fiscal year 2010 only, at the time of each
26 payment of salary to an employee under the personal services

1 line item from a fund other than the General Revenue Fund,
2 payment shall be made for deposit into the State Employees'
3 Retirement System of Illinois from the amount appropriated for
4 State contributions to the State Employees' Retirement System
5 of Illinois of an amount calculated at the rate certified for
6 fiscal year 2010 by the Board of Trustees of the State
7 Employees' Retirement System of Illinois under Section
8 14-135.08 of the Illinois Pension Code. This payment shall be
9 made to the extent that a line item appropriation to an
10 employer for this purpose is available or unexhausted. For
11 fiscal year 2010 only, no payment from appropriations for State
12 contributions shall be made in conjunction with payment of
13 salary to an employee under the personal services line item
14 from the General Revenue Fund.

15 (a-3) For fiscal year 2011 only, at the time of each
16 payment of salary to an employee under the personal services
17 line item from a fund other than the General Revenue Fund,
18 payment shall be made for deposit into the State Employees'
19 Retirement System of Illinois from the amount appropriated for
20 State contributions to the State Employees' Retirement System
21 of Illinois of an amount calculated at the rate certified for
22 fiscal year 2011 by the Board of Trustees of the State
23 Employees' Retirement System of Illinois under Section
24 14-135.08 of the Illinois Pension Code. This payment shall be
25 made to the extent that a line item appropriation to an
26 employer for this purpose is available or unexhausted. For

1 fiscal year 2011 only, no payment from appropriations for State
2 contributions shall be made in conjunction with payment of
3 salary to an employee under the personal services line item
4 from the General Revenue Fund.

5 (a-4) In fiscal years 2012 through 2016 ~~2015~~ only, at the
6 time of each payment of salary to an employee under the
7 personal services line item from a fund other than the General
8 Revenue Fund, payment shall be made for deposit into the State
9 Employees' Retirement System of Illinois from the amount
10 appropriated for State contributions to the State Employees'
11 Retirement System of Illinois of an amount calculated at the
12 rate certified for the applicable fiscal year by the Board of
13 Trustees of the State Employees' Retirement System of Illinois
14 under Section 14-135.08 of the Illinois Pension Code. In fiscal
15 years 2012 through 2016 ~~2015~~ only, no payment from
16 appropriations for State contributions shall be made in
17 conjunction with payment of salary to an employee under the
18 personal services line item from the General Revenue Fund.

19 (b) Except during the period beginning on the effective
20 date of this amendatory Act of the 93rd General Assembly and
21 ending at the time of the payment of the final payroll from
22 fiscal year 2004 appropriations, the State Comptroller shall
23 not approve for payment any payroll voucher that (1) includes
24 payments of salary to eligible employees in the State
25 Employees' Retirement System of Illinois and (2) does not
26 include the corresponding payment of State contributions to

1 that retirement system at the full rate certified under Section
2 14-135.08 for that fiscal year for eligible employees, unless
3 the balance in the fund on which the payroll voucher is drawn
4 is insufficient to pay the total payroll voucher, or
5 unavailable due to any limitation on appropriations that may
6 apply, including, but not limited to, limitations on
7 appropriations from the Road Fund under Section 8.3 of the
8 State Finance Act. If the State Comptroller approves a payroll
9 voucher under this Section for which the fund balance is
10 insufficient to pay the full amount of the required State
11 contribution to the State Employees' Retirement System, the
12 Comptroller shall promptly so notify the Retirement System.

13 (b-1) For fiscal year 2010 and fiscal year 2011 only, the
14 State Comptroller shall not approve for payment any non-General
15 Revenue Fund payroll voucher that (1) includes payments of
16 salary to eligible employees in the State Employees' Retirement
17 System of Illinois and (2) does not include the corresponding
18 payment of State contributions to that retirement system at the
19 full rate certified under Section 14-135.08 for that fiscal
20 year for eligible employees, unless the balance in the fund on
21 which the payroll voucher is drawn is insufficient to pay the
22 total payroll voucher, or unavailable due to any limitation on
23 appropriations that may apply, including, but not limited to,
24 limitations on appropriations from the Road Fund under Section
25 8.3 of the State Finance Act. If the State Comptroller approves
26 a payroll voucher under this Section for which the fund balance

1 is insufficient to pay the full amount of the required State
2 contribution to the State Employees' Retirement System of
3 Illinois, the Comptroller shall promptly so notify the
4 retirement system.

5 (c) Notwithstanding any other provisions of law, beginning
6 July 1, 2007, required State and employee contributions to the
7 State Employees' Retirement System of Illinois relating to
8 affected legislative staff employees shall be paid out of
9 moneys appropriated for that purpose to the Commission on
10 Government Forecasting and Accountability, rather than out of
11 the lump-sum appropriations otherwise made for the payroll and
12 other costs of those employees.

13 These payments must be made pursuant to payroll vouchers
14 submitted by the employing entity as part of the regular
15 payroll voucher process.

16 For the purpose of this subsection, "affected legislative
17 staff employees" means legislative staff employees paid out of
18 lump-sum appropriations made to the General Assembly, an
19 Officer of the General Assembly, or the Senate Operations
20 Commission, but does not include district-office staff or
21 employees of legislative support services agencies.

22 (Source: P.A. 97-72, eff. 7-1-11; 97-732, eff. 6-30-12; 98-24,
23 eff. 6-19-13; 98-674, eff. 6-30-14.)

24 Section 5-10. The Illinois Pension Code is amended by
25 changing Sections 3-125, 4-118, 7-172.1, 7-195.1, 7-210,

1 7-214, and 14-131 and by adding Sections 9-184.5, 10-107.5,
2 12-149.5, 13-503.5, and 22-104 as follows:

3 (40 ILCS 5/3-125) (from Ch. 108 1/2, par. 3-125)
4 Sec. 3-125. Financing.

5 (a) The city council or the board of trustees of the
6 municipality shall annually levy a tax upon all the taxable
7 property of the municipality at the rate on the dollar which
8 will produce an amount which, when added to the deductions from
9 the salaries or wages of police officers, and revenues
10 available from other sources, will equal a sum sufficient to
11 meet the annual requirements of the police pension fund. The
12 annual requirements to be provided by such tax levy are equal
13 to (1) the normal cost of the pension fund for the year
14 involved, plus (2) an amount sufficient to bring the total
15 assets of the pension fund up to 90% of the total actuarial
16 liabilities of the pension fund by the end of municipal fiscal
17 year 2040, as annually updated and determined by an enrolled
18 actuary employed by the Illinois Department of Insurance or by
19 an enrolled actuary retained by the pension fund or the
20 municipality. In making these determinations, the required
21 minimum employer contribution shall be calculated each year as
22 a level percentage of payroll over the years remaining up to
23 and including fiscal year 2040 and shall be determined under
24 the projected unit credit actuarial cost method. The tax shall
25 be levied and collected in the same manner as the general taxes

1 of the municipality, and in addition to all other taxes now or
2 hereafter authorized to be levied upon all property within the
3 municipality, and shall be in addition to the amount authorized
4 to be levied for general purposes as provided by Section 8-3-1
5 of the Illinois Municipal Code, approved May 29, 1961, as
6 amended. The tax shall be forwarded directly to the treasurer
7 of the board within 30 business days after receipt by the
8 county.

9 (b) For purposes of determining the required employer
10 contribution to a pension fund, the value of the pension fund's
11 assets shall be equal to the actuarial value of the pension
12 fund's assets, which shall be calculated as follows:

13 (1) On March 30, 2011, the actuarial value of a pension
14 fund's assets shall be equal to the market value of the
15 assets as of that date.

16 (2) In determining the actuarial value of the System's
17 assets for fiscal years after March 30, 2011, any actuarial
18 gains or losses from investment return incurred in a fiscal
19 year shall be recognized in equal annual amounts over the
20 5-year period following that fiscal year.

21 (c) If a participating municipality fails to transmit to
22 the fund contributions required of it under this Article for
23 more than 90 days after the payment of those contributions is
24 due, the fund may, after giving notice to the municipality,
25 certify to the State Comptroller the amounts of the delinquent
26 payments in accordance with any applicable rules of the

1 Comptroller, and the Comptroller must, beginning in fiscal year
2 2016, deduct and remit to ~~deposit into~~ the fund the certified
3 amounts or a portion of those amounts from the following
4 proportions of payments ~~grants~~ of State funds to the
5 municipality:

6 (1) in fiscal year 2016, one-third of the total amount
7 of any payments ~~grants~~ of State funds to the municipality;

8 (2) in fiscal year 2017, two-thirds of the total amount
9 of any payments ~~grants~~ of State funds to the municipality;

10 and

11 (3) in fiscal year 2018 and each fiscal year
12 thereafter, the total amount of any payments ~~grants~~ of
13 State funds to the municipality.

14 The State Comptroller may not deduct from any payments
15 ~~grants~~ of State funds to the municipality more than the amount
16 of delinquent payments certified to the State Comptroller by
17 the fund.

18 (d) The police pension fund shall consist of the following
19 moneys which shall be set apart by the treasurer of the
20 municipality:

21 (1) All moneys derived from the taxes levied hereunder;

22 (2) Contributions by police officers under Section
23 3-125.1;

24 (3) All moneys accumulated by the municipality under
25 any previous legislation establishing a fund for the
26 benefit of disabled or retired police officers;

1 (4) Donations, gifts or other transfers authorized by
2 this Article.

3 (e) The Commission on Government Forecasting and
4 Accountability shall conduct a study of all funds established
5 under this Article and shall report its findings to the General
6 Assembly on or before January 1, 2013. To the fullest extent
7 possible, the study shall include, but not be limited to, the
8 following:

9 (1) fund balances;

10 (2) historical employer contribution rates for each
11 fund;

12 (3) the actuarial formulas used as a basis for employer
13 contributions, including the actual assumed rate of return
14 for each year, for each fund;

15 (4) available contribution funding sources;

16 (5) the impact of any revenue limitations caused by
17 PTELL and employer home rule or non-home rule status; and

18 (6) existing statutory funding compliance procedures
19 and funding enforcement mechanisms for all municipal
20 pension funds.

21 (Source: P.A. 95-530, eff. 8-28-07; 96-1495, eff. 1-1-11.)

22 (40 ILCS 5/4-118) (from Ch. 108 1/2, par. 4-118)

23 Sec. 4-118. Financing.

24 (a) The city council or the board of trustees of the
25 municipality shall annually levy a tax upon all the taxable

1 property of the municipality at the rate on the dollar which
2 will produce an amount which, when added to the deductions from
3 the salaries or wages of firefighters and revenues available
4 from other sources, will equal a sum sufficient to meet the
5 annual actuarial requirements of the pension fund, as
6 determined by an enrolled actuary employed by the Illinois
7 Department of Insurance or by an enrolled actuary retained by
8 the pension fund or municipality. For the purposes of this
9 Section, the annual actuarial requirements of the pension fund
10 are equal to (1) the normal cost of the pension fund, or 17.5%
11 of the salaries and wages to be paid to firefighters for the
12 year involved, whichever is greater, plus (2) an annual amount
13 sufficient to bring the total assets of the pension fund up to
14 90% of the total actuarial liabilities of the pension fund by
15 the end of municipal fiscal year 2040, as annually updated and
16 determined by an enrolled actuary employed by the Illinois
17 Department of Insurance or by an enrolled actuary retained by
18 the pension fund or the municipality. In making these
19 determinations, the required minimum employer contribution
20 shall be calculated each year as a level percentage of payroll
21 over the years remaining up to and including fiscal year 2040
22 and shall be determined under the projected unit credit
23 actuarial cost method. The amount to be applied towards the
24 amortization of the unfunded accrued liability in any year
25 shall not be less than the annual amount required to amortize
26 the unfunded accrued liability, including interest, as a level

1 percentage of payroll over the number of years remaining in the
2 40 year amortization period.

3 (a-5) For purposes of determining the required employer
4 contribution to a pension fund, the value of the pension fund's
5 assets shall be equal to the actuarial value of the pension
6 fund's assets, which shall be calculated as follows:

7 (1) On March 30, 2011, the actuarial value of a pension
8 fund's assets shall be equal to the market value of the
9 assets as of that date.

10 (2) In determining the actuarial value of the pension
11 fund's assets for fiscal years after March 30, 2011, any
12 actuarial gains or losses from investment return incurred
13 in a fiscal year shall be recognized in equal annual
14 amounts over the 5-year period following that fiscal year.

15 (b) The tax shall be levied and collected in the same
16 manner as the general taxes of the municipality, and shall be
17 in addition to all other taxes now or hereafter authorized to
18 be levied upon all property within the municipality, and in
19 addition to the amount authorized to be levied for general
20 purposes, under Section 8-3-1 of the Illinois Municipal Code or
21 under Section 14 of the Fire Protection District Act. The tax
22 shall be forwarded directly to the treasurer of the board
23 within 30 business days of receipt by the county (or, in the
24 case of amounts added to the tax levy under subsection (f),
25 used by the municipality to pay the employer contributions
26 required under subsection (b-1) of Section 15-155 of this

1 Code).

2 (b-5) If a participating municipality fails to transmit to
3 the fund contributions required of it under this Article for
4 more than 90 days after the payment of those contributions is
5 due, the fund may, after giving notice to the municipality,
6 certify to the State Comptroller the amounts of the delinquent
7 payments in accordance with any applicable rules of the
8 Comptroller, and the Comptroller must, beginning in fiscal year
9 2016, deduct and remit to ~~deposit into~~ the fund the certified
10 amounts or a portion of those amounts from the following
11 proportions of payments ~~grants~~ of State funds to the
12 municipality:

13 (1) in fiscal year 2016, one-third of the total amount
14 of any payments ~~grants~~ of State funds to the municipality;

15 (2) in fiscal year 2017, two-thirds of the total amount
16 of any payments ~~grants~~ of State funds to the municipality;
17 and

18 (3) in fiscal year 2018 and each fiscal year
19 thereafter, the total amount of any payments ~~grants~~ of
20 State funds to the municipality.

21 The State Comptroller may not deduct from any payments
22 ~~grants~~ of State funds to the municipality more than the amount
23 of delinquent payments certified to the State Comptroller by
24 the fund.

25 (c) The board shall make available to the membership and
26 the general public for inspection and copying at reasonable

1 times the most recent Actuarial Valuation Balance Sheet and Tax
2 Levy Requirement issued to the fund by the Department of
3 Insurance.

4 (d) The firefighters' pension fund shall consist of the
5 following moneys which shall be set apart by the treasurer of
6 the municipality: (1) all moneys derived from the taxes levied
7 hereunder; (2) contributions by firefighters as provided under
8 Section 4-118.1; (3) all rewards in money, fees, gifts, and
9 emoluments that may be paid or given for or on account of
10 extraordinary service by the fire department or any member
11 thereof, except when allowed to be retained by competitive
12 awards; and (4) any money, real estate or personal property
13 received by the board.

14 (e) For the purposes of this Section, "enrolled actuary"
15 means an actuary: (1) who is a member of the Society of
16 Actuaries or the American Academy of Actuaries; and (2) who is
17 enrolled under Subtitle C of Title III of the Employee
18 Retirement Income Security Act of 1974, or who has been engaged
19 in providing actuarial services to one or more public
20 retirement systems for a period of at least 3 years as of July
21 1, 1983.

22 (f) The corporate authorities of a municipality that
23 employs a person who is described in subdivision (d) of Section
24 4-106 may add to the tax levy otherwise provided for in this
25 Section an amount equal to the projected cost of the employer
26 contributions required to be paid by the municipality to the

1 State Universities Retirement System under subsection (b-1) of
2 Section 15-155 of this Code.

3 (g) The Commission on Government Forecasting and
4 Accountability shall conduct a study of all funds established
5 under this Article and shall report its findings to the General
6 Assembly on or before January 1, 2013. To the fullest extent
7 possible, the study shall include, but not be limited to, the
8 following:

9 (1) fund balances;

10 (2) historical employer contribution rates for each
11 fund;

12 (3) the actuarial formulas used as a basis for employer
13 contributions, including the actual assumed rate of return
14 for each year, for each fund;

15 (4) available contribution funding sources;

16 (5) the impact of any revenue limitations caused by
17 PTELL and employer home rule or non-home rule status; and

18 (6) existing statutory funding compliance procedures
19 and funding enforcement mechanisms for all municipal
20 pension funds.

21 (Source: P.A. 96-1495, eff. 1-1-11.)

22 (40 ILCS 5/7-172.1) (from Ch. 108 1/2, par. 7-172.1)

23 Sec. 7-172.1. Actions to enforce payments by
24 municipalities and instrumentalities.

25 (a) If any participating municipality or participating

1 instrumentality fails to transmit to the Fund contributions
2 required of it under this Article or contributions collected by
3 it from its participating employees for the purposes of this
4 Article for more than 90 days after the payment of such
5 contributions is due, the Fund, after giving notice to such
6 municipality or instrumentality, may certify to the State
7 Comptroller the amounts of such delinquent payments in
8 accordance with any applicable rules of the Comptroller, and
9 the Comptroller shall deduct the amounts so certified or any
10 part thereof from any payments ~~grants~~ of State funds to the
11 municipality or instrumentality involved and shall remit ~~pay~~
12 the amount so deducted to the Fund. If State funds from which
13 such deductions may be made are not available, the Fund may
14 proceed against the municipality or instrumentality to recover
15 the amounts of such delinquent payments in the appropriate
16 circuit court.

17 (b) If any participating municipality fails to transmit to
18 the Fund contributions required of it under this Article or
19 contributions collected by it from its participating employees
20 for the purposes of this Article for more than 90 days after
21 the payment of such contributions is due, the Fund, after
22 giving notice to such municipality, may certify the fact of
23 such delinquent payment to the county treasurer of the county
24 in which such municipality is located, who shall thereafter
25 remit the amounts collected from the tax levied by the
26 municipality under Section 7-171 directly to the Fund.

1 (c) If reports furnished to the Fund by the municipality or
2 instrumentality involved are inadequate for the computation of
3 the amounts of such delinquent payments, the Fund may provide
4 for such audit of the records of the municipality or
5 instrumentality as may be required to establish the amounts of
6 such delinquent payments. The municipality or instrumentality
7 shall make its records available to the Fund for the purpose of
8 such audit. The cost of such audit shall be added to the amount
9 of the delinquent payments and shall be recovered by the Fund
10 from the municipality or instrumentality at the same time and
11 in the same manner as the delinquent payments are recovered.

12 (Source: P.A. 86-273.)

13 (40 ILCS 5/7-195.1) (from Ch. 108 1/2, par. 7-195.1)

14 Sec. 7-195.1. To establish and maintain a revolving
15 account. To establish and maintain a revolving account in a
16 bank or savings and loan association, approved by the State
17 Treasurer as a State depository and having capital funds,
18 represented by capital, surplus, and undivided profits, of at
19 least 5 million dollars, for the purpose of making payments of
20 annuities, benefits, and administrative expenses and payments
21 to the State Agency provided in Section 7-170. All funds
22 deposited in such account shall be placed in the name of the
23 Fund ~~fund~~ and shall be withdrawn only by a check or draft upon
24 the bank or savings and loan association signed by the
25 president of the board or the executive director, as the board

1 may direct. In case the president or executive director, whose
2 signature appears upon any check or draft, after attaching his
3 signature ceases to hold office before the delivery thereof to
4 the payee, his signature nevertheless shall be valid and
5 sufficient for all purposes with the same effect as if he had
6 remained in office until delivery thereof. The revolving
7 account shall be created by resolution of the board. ~~The State~~
8 ~~Comptroller, upon receipt of a copy of such resolution and a~~
9 ~~voucher designating the payment of \$300,000 into the revolving~~
10 ~~account, shall draw his warrant on the State Treasurer for~~
11 ~~payment of same to the Fund for deposit in the revolving~~
12 ~~account.~~ The monies in the revolving account shall be held and
13 expenditures shall be made by the Fund for the purposes herein
14 set forth. The Fund shall reimburse the revolving account for
15 expenditures for such purposes ~~and the Comptroller, upon~~
16 ~~receipt of vouchers signed as provided in Section 7-210 and~~
17 ~~including a statement of expenditures made from the revolving~~
18 ~~account, shall draw his warrant on the State Treasurer for the~~
19 ~~payment of the amount of such expenditures to the Fund for~~
20 ~~deposit in the revolving account.~~

21 No bank or savings and loan association shall receive
22 investment funds as permitted by this Section, unless it has
23 complied with the requirements established pursuant to Section
24 6 of the Public Funds Investment Act ~~"An Act relating to~~
25 ~~certain investments of public funds by public agencies",~~
26 ~~approved July 23, 1943,~~ as now or hereafter amended. The

1 limitations set forth in such Section 6 shall be applicable
2 only at the time of investment and shall not require the
3 liquidation of any investment at any time.

4 (Source: P.A. 83-541.)

5 (40 ILCS 5/7-210) (from Ch. 108 1/2, par. 7-210)

6 Sec. 7-210. Funds.

7 (a) All money received by the board shall immediately be
8 deposited with the custodian ~~State Treasurer~~ for the account of
9 the Fund ~~fund~~, or in the case of funds received under Section
10 7-199.1, in a separate account maintained for that purpose. All
11 payments from the accounts of the Fund shall be made by the
12 custodian only, and only by a check or draft signed by the
13 president of the board or the executive director, as the board
14 may direct. Such checks and drafts ~~All disbursements of funds~~
15 ~~held by the State Treasurer shall be made only upon warrants of~~
16 ~~the State Comptroller drawn upon the Treasurer as custodian of~~
17 ~~this fund upon vouchers signed by the person or persons~~
18 ~~designated for such purpose by resolution of the board. The~~
19 ~~Comptroller is authorized to draw such warrants upon vouchers~~
20 ~~so signed, including warrants payable to the Fund for deposit~~
21 ~~in a revolving account authorized by Section 7-195.1. The~~
22 ~~Treasurer shall accept all warrants so signed and shall be~~
23 ~~released from liability for all payments made thereon. Vouchers~~
24 shall be drawn only upon proper authorization by the board as
25 properly recorded in the official minute books of the meetings

1 of the board.

2 (b) (Blank). ~~All securities of the fund when received shall~~
3 ~~be deposited with the State Treasurer who shall provide~~
4 ~~adequate safe deposit facilities for their preservation and~~
5 ~~have custody of them.~~

6 (c) The assets of the Fund ~~fund~~ shall be invested as one
7 fund, and no particular person, municipality, or
8 instrumentality thereof or participating instrumentality shall
9 have any right in any specific security or in any item of cash
10 other than an undivided interest in the whole.

11 (d) Except as provided in subsection (d-5), whenever any
12 employees of a municipality or participating instrumentality
13 have been or shall be excluded from participation in this Fund
14 ~~fund~~ by virtue of the application of paragraph b of Section
15 7-109 (2), the board shall issue a check or draft ~~voucher~~
16 ~~authorizing the Comptroller to draw his warrant upon the~~
17 ~~Treasurer as custodian of this fund~~ in an amount equal to the
18 accumulated contributions of such employees. Such check or
19 draft ~~warrant~~ shall be drawn in favor of ~~the appropriate fund~~
20 ~~of~~ the pension or retirement fund in which such employees have
21 or shall become participants. Such transfer shall terminate any
22 further rights of such employees under this Fund ~~fund~~.

23 (d-5) Upon creation of a newly established Article 3 police
24 pension fund by referendum under Section 3-145 or by census
25 under Section 3-105, the following amounts shall be transferred
26 from this Fund to the new police pension fund, within 30 days

1 after an application therefor is received from the new pension
2 fund:

3 (1) the amounts actually contributed to this Fund as
4 employee contributions by or on behalf of the police
5 officers transferring to the new pension fund for their
6 service as police officers of the municipality that is
7 establishing the new pension fund, plus interest on those
8 amounts at the rate of 6% per year, compounded annually,
9 from the date of contribution to the date of transfer to
10 the new pension fund, and

11 (2) an amount representing employer contributions,
12 equal to the total amount determined under item (1).

13 This transfer terminates any further rights of such police
14 officers in this Fund arising out of their service as police
15 officers of the municipality that is establishing the new
16 pension fund.

17 (e) If a participating instrumentality terminates
18 participation because it fails to meet the requirements of
19 Section 7-108, it shall pay to the Fund ~~fund~~ the amount equal
20 to any net debit balance in its municipality reserve account
21 and account receivable. Its successors, and assigns and
22 transferees of its assets shall be obligated to make this
23 payment to the extent of the value of assets transferred to
24 them. The Fund ~~fund~~ shall pay an amount equal to any net credit
25 balance to the participating instrumentality, its successors
26 or assigns. Any remaining net debit or credit balance not

1 collectible or payable shall be transferred to the terminated
2 municipality reserve account. The Fund ~~fund~~ shall pay to each
3 employee of the participating instrumentality an amount equal
4 to his credits in the employee reserves. The employees shall
5 have no further rights to any benefits from the Fund ~~fund~~,
6 except that annuities awarded prior to the date of termination
7 shall continue to be paid.

8 (Source: P.A. 98-729, eff. 7-26-14.)

9 (40 ILCS 5/7-214) (from Ch. 108 1/2, par. 7-214)

10 Sec. 7-214. Custodian ~~State treasurer~~. The Board shall
11 appoint one or more custodians to receive and hold the assets
12 of the Fund on such terms as the Board may agree. ~~The State~~
13 ~~Treasurer shall be the treasurer of the fund and shall be~~
14 ~~responsible for the proper handling of all the assets of the~~
15 ~~fund in accordance with this Article. He shall furnish a~~
16 ~~corporate surety bond of such amount as the board designates,~~
17 ~~which bond shall indemnify the board against any loss which may~~
18 ~~result from any action or failure to act by the treasurer or~~
19 ~~any of his agents. All charges incidental to the procuring and~~
20 ~~giving of such bond shall be paid by the board.~~

21 (Source: Laws 1963, p. 161.)

22 (40 ILCS 5/9-184.5 new)

23 Sec. 9-184.5. Delinquent contributions; deduction from
24 payments of State funds to the county. If the county fails to

1 transmit to the Fund contributions required of it under this
2 Article by December 31st of the year in which such
3 contributions are due, the Fund may, after giving notice to the
4 county, certify to the State Comptroller the amounts of the
5 delinquent payments in accordance with any applicable rules of
6 the Comptroller, and the Comptroller must, beginning in payment
7 year 2016, deduct and remit to the Fund the certified amounts
8 from payments of State funds to the county.

9 The State Comptroller may not deduct from any payments of
10 State funds to the county more than the amount of delinquent
11 payments certified to the State Comptroller by the Fund.

12 (40 ILCS 5/10-107.5 new)

13 Sec. 10-107.5. Delinquent contributions; deduction from
14 payments of State funds to the district. If the district fails
15 to transmit to the Fund contributions required of it under this
16 Article by December 31st of the year in which such
17 contributions are due, the Fund may, after giving notice to the
18 district, certify to the State Comptroller the amounts of the
19 delinquent payments in accordance with any applicable rules of
20 the Comptroller, and the Comptroller must, beginning in payment
21 year 2016, deduct and remit to the Fund the certified amounts
22 from payments of State funds to the district.

23 The State Comptroller may not deduct from any payments of
24 State funds to the district more than the amount of delinquent
25 payments certified to the State Comptroller by the Fund.

1 (40 ILCS 5/12-149.5 new)

2 Sec. 12-149.5. Delinquent contributions; deduction from
3 payments of State funds to the employer. If the employer fails
4 to transmit to the Fund contributions required of it under this
5 Article by December 31st of the year in which such
6 contributions are due, the Fund may, after giving notice to the
7 employer, certify to the State Comptroller the amounts of the
8 delinquent payments in accordance with any applicable rules of
9 the Comptroller, and the Comptroller must, beginning in payment
10 year 2016, deduct and remit to the Fund the certified amounts
11 from payments of State funds to the employer.

12 The State Comptroller may not deduct from any payments of
13 State funds to the employer more than the amount of delinquent
14 payments certified to the State Comptroller by the Fund.

15 (40 ILCS 5/13-503.5 new)

16 Sec. 13-503.5. Delinquent contributions; deduction from
17 payments of State funds to the employer. If the employer fails
18 to transmit to the Fund contributions required of it under this
19 Article by December 31st of the year in which such
20 contributions are due, the Fund may, after giving notice to the
21 employer, certify to the State Comptroller the amounts of the
22 delinquent payments in accordance with any applicable rules of
23 the Comptroller, and the Comptroller must, beginning in payment
24 year 2016, deduct and remit to the Fund the certified amounts

1 from payments of State funds to the employer.

2 The State Comptroller may not deduct from any payments of
3 State funds to the employer more than the amount of delinquent
4 payments certified to the State Comptroller by the Fund.

5 (40 ILCS 5/14-131)

6 (Text of Section WITHOUT the changes made by P.A. 98-599,
7 which has been held unconstitutional)

8 Sec. 14-131. Contributions by State.

9 (a) The State shall make contributions to the System by
10 appropriations of amounts which, together with other employer
11 contributions from trust, federal, and other funds, employee
12 contributions, investment income, and other income, will be
13 sufficient to meet the cost of maintaining and administering
14 the System on a 90% funded basis in accordance with actuarial
15 recommendations.

16 For the purposes of this Section and Section 14-135.08,
17 references to State contributions refer only to employer
18 contributions and do not include employee contributions that
19 are picked up or otherwise paid by the State or a department on
20 behalf of the employee.

21 (b) The Board shall determine the total amount of State
22 contributions required for each fiscal year on the basis of the
23 actuarial tables and other assumptions adopted by the Board,
24 using the formula in subsection (e).

25 The Board shall also determine a State contribution rate

1 for each fiscal year, expressed as a percentage of payroll,
2 based on the total required State contribution for that fiscal
3 year (less the amount received by the System from
4 appropriations under Section 8.12 of the State Finance Act and
5 Section 1 of the State Pension Funds Continuing Appropriation
6 Act, if any, for the fiscal year ending on the June 30
7 immediately preceding the applicable November 15 certification
8 deadline), the estimated payroll (including all forms of
9 compensation) for personal services rendered by eligible
10 employees, and the recommendations of the actuary.

11 For the purposes of this Section and Section 14.1 of the
12 State Finance Act, the term "eligible employees" includes
13 employees who participate in the System, persons who may elect
14 to participate in the System but have not so elected, persons
15 who are serving a qualifying period that is required for
16 participation, and annuitants employed by a department as
17 described in subdivision (a) (1) or (a) (2) of Section 14-111.

18 (c) Contributions shall be made by the several departments
19 for each pay period by warrants drawn by the State Comptroller
20 against their respective funds or appropriations based upon
21 vouchers stating the amount to be so contributed. These amounts
22 shall be based on the full rate certified by the Board under
23 Section 14-135.08 for that fiscal year. From the effective date
24 of this amendatory Act of the 93rd General Assembly through the
25 payment of the final payroll from fiscal year 2004
26 appropriations, the several departments shall not make

1 contributions for the remainder of fiscal year 2004 but shall
2 instead make payments as required under subsection (a-1) of
3 Section 14.1 of the State Finance Act. The several departments
4 shall resume those contributions at the commencement of fiscal
5 year 2005.

6 (c-1) Notwithstanding subsection (c) of this Section, for
7 fiscal years 2010, 2012, 2013, 2014, ~~and 2015,~~ and 2016 only,
8 contributions by the several departments are not required to be
9 made for General Revenue Funds payrolls processed by the
10 Comptroller. Payrolls paid by the several departments from all
11 other State funds must continue to be processed pursuant to
12 subsection (c) of this Section.

13 (c-2) For State fiscal years 2010, 2012, 2013, 2014, ~~and~~
14 2015, and 2016 only, on or as soon as possible after the 15th
15 day of each month, the Board shall submit vouchers for payment
16 of State contributions to the System, in a total monthly amount
17 of one-twelfth of the fiscal year General Revenue Fund
18 contribution as certified by the System pursuant to Section
19 14-135.08 of the Illinois Pension Code.

20 (d) If an employee is paid from trust funds or federal
21 funds, the department or other employer shall pay employer
22 contributions from those funds to the System at the certified
23 rate, unless the terms of the trust or the federal-State
24 agreement preclude the use of the funds for that purpose, in
25 which case the required employer contributions shall be paid by
26 the State. From the effective date of this amendatory Act of

1 the 93rd General Assembly through the payment of the final
2 payroll from fiscal year 2004 appropriations, the department or
3 other employer shall not pay contributions for the remainder of
4 fiscal year 2004 but shall instead make payments as required
5 under subsection (a-1) of Section 14.1 of the State Finance
6 Act. The department or other employer shall resume payment of
7 contributions at the commencement of fiscal year 2005.

8 (e) For State fiscal years 2012 through 2045, the minimum
9 contribution to the System to be made by the State for each
10 fiscal year shall be an amount determined by the System to be
11 sufficient to bring the total assets of the System up to 90% of
12 the total actuarial liabilities of the System by the end of
13 State fiscal year 2045. In making these determinations, the
14 required State contribution shall be calculated each year as a
15 level percentage of payroll over the years remaining to and
16 including fiscal year 2045 and shall be determined under the
17 projected unit credit actuarial cost method.

18 For State fiscal years 1996 through 2005, the State
19 contribution to the System, as a percentage of the applicable
20 employee payroll, shall be increased in equal annual increments
21 so that by State fiscal year 2011, the State is contributing at
22 the rate required under this Section; except that (i) for State
23 fiscal year 1998, for all purposes of this Code and any other
24 law of this State, the certified percentage of the applicable
25 employee payroll shall be 5.052% for employees earning eligible
26 creditable service under Section 14-110 and 6.500% for all

1 other employees, notwithstanding any contrary certification
2 made under Section 14-135.08 before the effective date of this
3 amendatory Act of 1997, and (ii) in the following specified
4 State fiscal years, the State contribution to the System shall
5 not be less than the following indicated percentages of the
6 applicable employee payroll, even if the indicated percentage
7 will produce a State contribution in excess of the amount
8 otherwise required under this subsection and subsection (a):
9 9.8% in FY 1999; 10.0% in FY 2000; 10.2% in FY 2001; 10.4% in FY
10 2002; 10.6% in FY 2003; and 10.8% in FY 2004.

11 Notwithstanding any other provision of this Article, the
12 total required State contribution to the System for State
13 fiscal year 2006 is \$203,783,900.

14 Notwithstanding any other provision of this Article, the
15 total required State contribution to the System for State
16 fiscal year 2007 is \$344,164,400.

17 For each of State fiscal years 2008 through 2009, the State
18 contribution to the System, as a percentage of the applicable
19 employee payroll, shall be increased in equal annual increments
20 from the required State contribution for State fiscal year
21 2007, so that by State fiscal year 2011, the State is
22 contributing at the rate otherwise required under this Section.

23 Notwithstanding any other provision of this Article, the
24 total required State General Revenue Fund contribution for
25 State fiscal year 2010 is \$723,703,100 and shall be made from
26 the proceeds of bonds sold in fiscal year 2010 pursuant to

1 Section 7.2 of the General Obligation Bond Act, less (i) the
2 pro rata share of bond sale expenses determined by the System's
3 share of total bond proceeds, (ii) any amounts received from
4 the General Revenue Fund in fiscal year 2010, and (iii) any
5 reduction in bond proceeds due to the issuance of discounted
6 bonds, if applicable.

7 Notwithstanding any other provision of this Article, the
8 total required State General Revenue Fund contribution for
9 State fiscal year 2011 is the amount recertified by the System
10 on or before April 1, 2011 pursuant to Section 14-135.08 and
11 shall be made from the proceeds of bonds sold in fiscal year
12 2011 pursuant to Section 7.2 of the General Obligation Bond
13 Act, less (i) the pro rata share of bond sale expenses
14 determined by the System's share of total bond proceeds, (ii)
15 any amounts received from the General Revenue Fund in fiscal
16 year 2011, and (iii) any reduction in bond proceeds due to the
17 issuance of discounted bonds, if applicable.

18 Beginning in State fiscal year 2046, the minimum State
19 contribution for each fiscal year shall be the amount needed to
20 maintain the total assets of the System at 90% of the total
21 actuarial liabilities of the System.

22 Amounts received by the System pursuant to Section 25 of
23 the Budget Stabilization Act or Section 8.12 of the State
24 Finance Act in any fiscal year do not reduce and do not
25 constitute payment of any portion of the minimum State
26 contribution required under this Article in that fiscal year.

1 Such amounts shall not reduce, and shall not be included in the
2 calculation of, the required State contributions under this
3 Article in any future year until the System has reached a
4 funding ratio of at least 90%. A reference in this Article to
5 the "required State contribution" or any substantially similar
6 term does not include or apply to any amounts payable to the
7 System under Section 25 of the Budget Stabilization Act.

8 Notwithstanding any other provision of this Section, the
9 required State contribution for State fiscal year 2005 and for
10 fiscal year 2008 and each fiscal year thereafter, as calculated
11 under this Section and certified under Section 14-135.08, shall
12 not exceed an amount equal to (i) the amount of the required
13 State contribution that would have been calculated under this
14 Section for that fiscal year if the System had not received any
15 payments under subsection (d) of Section 7.2 of the General
16 Obligation Bond Act, minus (ii) the portion of the State's
17 total debt service payments for that fiscal year on the bonds
18 issued in fiscal year 2003 for the purposes of that Section
19 7.2, as determined and certified by the Comptroller, that is
20 the same as the System's portion of the total moneys
21 distributed under subsection (d) of Section 7.2 of the General
22 Obligation Bond Act. In determining this maximum for State
23 fiscal years 2008 through 2010, however, the amount referred to
24 in item (i) shall be increased, as a percentage of the
25 applicable employee payroll, in equal increments calculated
26 from the sum of the required State contribution for State

1 fiscal year 2007 plus the applicable portion of the State's
2 total debt service payments for fiscal year 2007 on the bonds
3 issued in fiscal year 2003 for the purposes of Section 7.2 of
4 the General Obligation Bond Act, so that, by State fiscal year
5 2011, the State is contributing at the rate otherwise required
6 under this Section.

7 (f) After the submission of all payments for eligible
8 employees from personal services line items in fiscal year 2004
9 have been made, the Comptroller shall provide to the System a
10 certification of the sum of all fiscal year 2004 expenditures
11 for personal services that would have been covered by payments
12 to the System under this Section if the provisions of this
13 amendatory Act of the 93rd General Assembly had not been
14 enacted. Upon receipt of the certification, the System shall
15 determine the amount due to the System based on the full rate
16 certified by the Board under Section 14-135.08 for fiscal year
17 2004 in order to meet the State's obligation under this
18 Section. The System shall compare this amount due to the amount
19 received by the System in fiscal year 2004 through payments
20 under this Section and under Section 6z-61 of the State Finance
21 Act. If the amount due is more than the amount received, the
22 difference shall be termed the "Fiscal Year 2004 Shortfall" for
23 purposes of this Section, and the Fiscal Year 2004 Shortfall
24 shall be satisfied under Section 1.2 of the State Pension Funds
25 Continuing Appropriation Act. If the amount due is less than
26 the amount received, the difference shall be termed the "Fiscal

1 Year 2004 Overpayment" for purposes of this Section, and the
2 Fiscal Year 2004 Overpayment shall be repaid by the System to
3 the Pension Contribution Fund as soon as practicable after the
4 certification.

5 (g) For purposes of determining the required State
6 contribution to the System, the value of the System's assets
7 shall be equal to the actuarial value of the System's assets,
8 which shall be calculated as follows:

9 As of June 30, 2008, the actuarial value of the System's
10 assets shall be equal to the market value of the assets as of
11 that date. In determining the actuarial value of the System's
12 assets for fiscal years after June 30, 2008, any actuarial
13 gains or losses from investment return incurred in a fiscal
14 year shall be recognized in equal annual amounts over the
15 5-year period following that fiscal year.

16 (h) For purposes of determining the required State
17 contribution to the System for a particular year, the actuarial
18 value of assets shall be assumed to earn a rate of return equal
19 to the System's actuarially assumed rate of return.

20 (i) After the submission of all payments for eligible
21 employees from personal services line items paid from the
22 General Revenue Fund in fiscal year 2010 have been made, the
23 Comptroller shall provide to the System a certification of the
24 sum of all fiscal year 2010 expenditures for personal services
25 that would have been covered by payments to the System under
26 this Section if the provisions of this amendatory Act of the

1 96th General Assembly had not been enacted. Upon receipt of the
2 certification, the System shall determine the amount due to the
3 System based on the full rate certified by the Board under
4 Section 14-135.08 for fiscal year 2010 in order to meet the
5 State's obligation under this Section. The System shall compare
6 this amount due to the amount received by the System in fiscal
7 year 2010 through payments under this Section. If the amount
8 due is more than the amount received, the difference shall be
9 termed the "Fiscal Year 2010 Shortfall" for purposes of this
10 Section, and the Fiscal Year 2010 Shortfall shall be satisfied
11 under Section 1.2 of the State Pension Funds Continuing
12 Appropriation Act. If the amount due is less than the amount
13 received, the difference shall be termed the "Fiscal Year 2010
14 Overpayment" for purposes of this Section, and the Fiscal Year
15 2010 Overpayment shall be repaid by the System to the General
16 Revenue Fund as soon as practicable after the certification.

17 (j) After the submission of all payments for eligible
18 employees from personal services line items paid from the
19 General Revenue Fund in fiscal year 2011 have been made, the
20 Comptroller shall provide to the System a certification of the
21 sum of all fiscal year 2011 expenditures for personal services
22 that would have been covered by payments to the System under
23 this Section if the provisions of this amendatory Act of the
24 96th General Assembly had not been enacted. Upon receipt of the
25 certification, the System shall determine the amount due to the
26 System based on the full rate certified by the Board under

1 Section 14-135.08 for fiscal year 2011 in order to meet the
2 State's obligation under this Section. The System shall compare
3 this amount due to the amount received by the System in fiscal
4 year 2011 through payments under this Section. If the amount
5 due is more than the amount received, the difference shall be
6 termed the "Fiscal Year 2011 Shortfall" for purposes of this
7 Section, and the Fiscal Year 2011 Shortfall shall be satisfied
8 under Section 1.2 of the State Pension Funds Continuing
9 Appropriation Act. If the amount due is less than the amount
10 received, the difference shall be termed the "Fiscal Year 2011
11 Overpayment" for purposes of this Section, and the Fiscal Year
12 2011 Overpayment shall be repaid by the System to the General
13 Revenue Fund as soon as practicable after the certification.

14 (k) For fiscal years 2012 through 2016 ~~2015~~ only, after the
15 submission of all payments for eligible employees from personal
16 services line items paid from the General Revenue Fund in the
17 fiscal year have been made, the Comptroller shall provide to
18 the System a certification of the sum of all expenditures in
19 the fiscal year for personal services. Upon receipt of the
20 certification, the System shall determine the amount due to the
21 System based on the full rate certified by the Board under
22 Section 14-135.08 for the fiscal year in order to meet the
23 State's obligation under this Section. The System shall compare
24 this amount due to the amount received by the System for the
25 fiscal year. If the amount due is more than the amount
26 received, the difference shall be termed the "Prior Fiscal Year

1 Shortfall" for purposes of this Section, and the Prior Fiscal
2 Year Shortfall shall be satisfied under Section 1.2 of the
3 State Pension Funds Continuing Appropriation Act. If the amount
4 due is less than the amount received, the difference shall be
5 termed the "Prior Fiscal Year Overpayment" for purposes of this
6 Section, and the Prior Fiscal Year Overpayment shall be repaid
7 by the System to the General Revenue Fund as soon as
8 practicable after the certification.

9 (Source: P.A. 97-72, eff. 7-1-11; 97-732, eff. 6-30-12; 98-24,
10 eff. 6-19-13; 98-674, eff. 6-30-14.)

11 (40 ILCS 5/22-104 new)

12 Sec. 22-104. Delinquent contributions; deduction from
13 payments of State funds to the employer. If an employer of
14 participants in a pension fund or retirement plan subject to
15 this Division fails to transmit contributions required of it by
16 that pension fund or retirement plan by December 31st of the
17 year in which such contributions are due, the pension fund or
18 retirement plan may, after giving notice to the employer,
19 certify to the State Comptroller the amounts of the delinquent
20 payments in accordance with any applicable rules of the
21 Comptroller, and the Comptroller must, beginning in payment
22 year 2016, deduct and remit to that pension fund or retirement
23 plan the certified amounts from payments of State funds to the
24 employer.

25 The State Comptroller may not deduct from any payments of

1 State funds to the employer more than the amount of delinquent
2 payments certified to the State Comptroller by the employer.

3 Section 5-15. The Uniform Disposition of Unclaimed
4 Property Act is amended by changing Section 18 as follows:

5 (765 ILCS 1025/18) (from Ch. 141, par. 118)

6 Sec. 18. Deposit of funds received under the Act.

7 (a) The State Treasurer shall retain all funds received
8 under this Act, including the proceeds from the sale of
9 abandoned property under Section 17, in a trust fund. The State
10 Treasurer may deposit any amount in the Trust Fund into the
11 State Pensions Fund during the fiscal year at his or her
12 discretion; however, he or she shall, on April 15 and October
13 15 of each year, deposit any amount in the trust fund exceeding
14 \$2,500,000 into the State Pensions Fund. If on either April 15
15 or October 15, the State Treasurer determines that a balance of
16 \$2,500,000 is insufficient for the prompt payment of unclaimed
17 property claims authorized under this Act, the Treasurer may
18 retain more than \$2,500,000 in the Unclaimed Property Trust
19 Fund in order to ensure the prompt payment of claims. Beginning
20 in State fiscal year 2017 ~~2016~~, all amounts that are deposited
21 into the State Pensions Fund from the Unclaimed Property Trust
22 Fund shall be apportioned to the designated retirement systems
23 as provided in subsection (c-6) of Section 8.12 of the State
24 Finance Act to reduce their actuarial reserve deficiencies. He

1 or she shall make prompt payment of claims he or she duly
2 allows as provided for in this Act for the trust fund. Before
3 making the deposit the State Treasurer shall record the name
4 and last known address of each person appearing from the
5 holders' reports to be entitled to the abandoned property. The
6 record shall be available for public inspection during
7 reasonable business hours.

8 (b) Before making any deposit to the credit of the State
9 Pensions Fund, the State Treasurer may deduct: (1) any costs in
10 connection with sale of abandoned property, (2) any costs of
11 mailing and publication in connection with any abandoned
12 property, and (3) any costs in connection with the maintenance
13 of records or disposition of claims made pursuant to this Act.
14 The State Treasurer shall semiannually file an itemized report
15 of all such expenses with the Legislative Audit Commission.

16 (Source: P.A. 97-732, eff. 6-30-12; 98-19, eff. 6-10-13; 98-24,
17 eff. 6-19-13; 98-674, eff. 6-30-14; 98-756, eff. 7-16-14.)

18 ARTICLE 99. EFFECTIVE DATE

19 Section 99-99. Effective date. This Act takes effect July
20 1, 2015."